

Chairman Vap called the regularly scheduled meeting to order at 10:05 a.m. with Commissioners Boyle, Lowell Johnson, Landis and Vap present and Commissioner Rod Johnson excused at the beginning of the meeting.

GENERAL ADMINISTRATION

Notice was duly published November 16, 2004, on Page 7 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held November 23, 2004, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Monday, November 29, 2004:

10:00 Commission Library, Lincoln, Western Nebraska Community Community College, Room 122, 371 College Drive, Sidney; and Chadron State College, Student Center, Scottsbluff Room, 10th & Main, Chadron. Nebraska Internet Enhancement Fund Advisory Board Meeting. Call in number is 1-877-229-1563, Access Code 11290459.

Tuesday, November 30, 2004:

1:30 Commission Hearing Room, Lincoln. Workshop.
Natural Gas 101 Seminar, presented by Ann O'Hara.

COMMUNICATIONS DEPARTMENT

AD-313r In the Matter of Spherion Corporation, Fort Lauderdale, Florida, seeking authority to connect an automatic dialing-announcing device: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Rod Johnson Excused Not Voting.

Commissioner Rod Johnson entered the Commission Hearing Room.

C-3049 In the Matter of the Commission, on its own motion, seeking to conduct an investigation into possible solutions for extending the life of area codes 308 and 402: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter a protection order. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3213/ DC-67 In the Matter of the Commission, Communications Department, seeking an order to cease and desist operations and to revoke the Certificates of Public Convenience and Necessity issued to the named defendants, Commissioner Vap presiding as Hearing Officer: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order dismissing in part and sustaining in part. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3228 In the Matter of Time Warner Cable Information Services (Nebraska), LLC, d/b/a Time Warner Cable, Stamford, Connecticut, seeking a Certificate of Authority to provide local and interexchange voice services within the State of Nebraska, Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Anne Boyle Present Not Voting.

C-3255 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of an amendment to the Interconnection Agreement for Elimination of UNE-P and Implementation of Batch Hot Cut Process and Discounts with MCImetro Access Transmission Services, LLC, Denver, Colorado, Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to enter an order granting a motion to admit a non-resident attorney. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3261 In the Matter of Northstar Telecom, Inc., Arlington, seeking a Certificate of Authority to operate as a reseller and facilities-based/UNE-P common carrier of local exchange and interexchange telecommunications services: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3278 In the Matter of United Telephone Company of the West, d/b/a Sprint, Overland Park, Kansas, seeking approval of its Interconnection Agreement for Commercial Mobile Radio Services with Alltel Communications of Nebraska, Little Rock, Arkansas: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3279 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its Commercial Line-Sharing Amendment to the Interconnection Agreement with Mobius Communications Company, Hemingford. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

C-3280 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its DSO/DSL Multiplexing Amendment to its Interconnection Agreement with Cox Nebraska Telcom, LLC, previously granted at Application C-1473: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Don Gray presented the results of the working group effort regarding Docket C-3049.

Shana Knutson informed the Commission that a petition would be presented to the Federal Communications Commission (FCC) requesting delegated authority for additional number conservation measures.

Gene Hand informed the Commission that Qwest filed a Petition for Forbearance with the Federal Communications Commission pertaining to Qwest's DSL services.

Gene Hand informed the Commission that the Federal Communications Commission issued an order preempting Minnesota and indicating it would preempt other states from imposing economic regulation on VoIP. The FCC has decided that it has sole jurisdiction over regulations that apply to IP-enabled services that have capabilities similar to those of Vonage's DigitalVoice (DV) Service.

Gene Hand informed the Commission that Sprint had filed BFR with Southeast Nebraska Telephone Company.

Gene Hand gave a report regarding the National Association of Regulatory Utility Commissioners (NARUC) conference held in Nashville, Tennessee, from November 12-16, 2004.

UNIVERSAL SERVICE FUND

NUSF-11 In the Matter of Sodtorn Telephone Company, Shelton, seeking to waive the requirement in the Opinion and Findings in Docket C-1628/NUSF to transition local business rates to the targets in four years: Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to enter an order closing this proceeding. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

UNIVERSAL SERVICE FUND (Cont.)

Jeff Pursley reported on the Late-Filed Carrier Remittances: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to have a complaint filed against Budget Phone, Inc.; Globalcom, Inc. and Teledias Communications and, that late-fees be levied against Vartec Solutions, f/k/a eMeritus and Vartec Telecom, Inc. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

NUSF-40 In the Matter of the Commission, on its own motion, seeking to determine the extent to which Voice Over Internet Protocol services should be subject to Nebraska Universal Service Fund requirements, Commissioner Landis presiding as Hearing Officer: Jeff Pursley informed the Commission that a Hearing Officer's Order was issued on November 10, 2004, setting a hearing for December 8, 2004, at 1:00 p.m. in the Commission Hearing Room, Lincoln.

E911 DEPARTMENT

PSAP-036 In the Matter of the City of Lincoln, Lancaster County, seeking funding approval for costs associated with Wireless E911 implementation: Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

NATURAL GAS DEPARTMENT

FC-1319 In the Matter of Kinder Morgan, Inc., Lakewood Colorado, vs. City of Hastings, Hastings, alleging installation of duplicative and redundant natural gas piping and services in the City of Hastings and its environs, Commissioner Rod Johnson presiding as Hearing Officer: Laura Demman reported that the parties are continuing to work toward settlement of the complaint.

RULES AND REGULATIONS

Rule and Regulation #158 In the Matter of the Commission, on its own motion, seeking to amend Title 291, Chapter 8, Grain Warehouse and Grain Dealer Rules and Regulations, to adopt rules in accordance with Nebraska Legislative Bill 735 [2003], Commissioner Vap presiding as Hearing Officer: A hearing was scheduled for January 4, 2005, at 2:00 p.m. in the Commission Hearing Room, Lincoln.

RULES AND REGULATIONS (Cont.)

Rule and In the Matter of the Commission, on its own motion, seek-
Regulation ing to amend Title 291, Chapter 1, Rules of Commission
#161 Procedure, to rewrite a substantial portion of the rules,
correct technical errors, grammar, punctuation, spelling,
sequential numbering and the like; and reprint the chapter in its
entirety, Commissioner Frank Landis presiding as Hearing Officer: The
hearing currently scheduled for December 7, 2004, was continued to a
date later to be determined.

Rule and In the Matter of the Commission, on its own motion,
Regulation seeking to promulgate Title 291, Chapter 12, Manufactured
#162 Housing Rules and Regulations, previously written under
Title 178, Chapter 16, through Health and Human Services
and to create an ad hoc committee; correct technical errors, grammar,
punctuation, spelling, sequential numbering and the like; and reprint
the chapter in its entirety, Commissioner Rod Johnson presiding as
Hearing Officer: The hearing currently scheduled for December 7,
2004, was continued to a date later to be determined.

LEGISLATIVE REPORT

Laura Demman reported that LR 376, an interim study to
review the first year of natural gas regulation under the State
Natural Gas Regulation Act, will be heard before the Urban Affairs
Committee on December 2, 2004, at Bellevue Public Schools, Welcome
Center Board Room, 1600 Highway 370, Bellevue.

GRAIN WAREHOUSE DEPARTMENT

GW-5 In the Matter of Nationwide Mutual Insurance Company
seeking cancellation of its Continuous Public Grain Ware-
house Bond No. BD 7900643867 in the amount of \$238,200.00, issued on
behalf of Thelen Grain Company, Wood River: Application was granted
effective September 29, 2004.

There is one grain warehouse license that has not been
issued due to a background check.

GW-408 In the Matter of The Farmers' Grain and Live Stock Company,
Hadar: John Fecht discussed the November 9, 2004 exam
results as it relates to the Commission rules on the need for filing a
verified grain inventory. John Fecht requested permission to write a
letter to request a verified grain inventory report for their fiscal
year end financial statement of December 31st.

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-1805 In the Matter of Schietel Feed & Seed Company, Falls City:
John Fecht discussed the November 15, 2004 exam results as it relates to the Commission rules on the need for filing a verified grain inventory. John Fecht requested permission to write a letter to request a verified grain inventory report for their fiscal year end financial statement of December 31st.

GW-2007 In the Matter of Vering's Feed Service, Inc., Howells:
John Fecht discussed the findings of the June 9, 2004 exam results as it relates to the Commission rules and requested permission to levy a civil penalty for failure to maintain accurate, complete or current records and to write a letter requesting that civil penalty. John Fecht further requested that a hearing be scheduled if Vering's Feed Service does not stipulate to the penalty.

GW-2112 In the Matter of James Nejezchleb dba Deweese Agri Service, Deweese: John Fecht discussed the November 8, 2004 exam results as it relates to the Commission rules and requested permission to write a letter of reprimand based on the examination findings.

GW-2134 In the Matter of Schaefer Grain & Feed, Inc. dba Schaefer Grain Company, Plainview: John Fecht discussed the October 5, 2004 special exam results as it relates to the Commission rules and requested permission to write a letter and request a civil penalty be assessed based on the findings of the special examination of October 5, 2004. John Fecht further requested that a hearing be scheduled if Schaefer Grain & Feed does not stipulate to the penalty.

Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to grant John Fecht authority to proceed with the actions requested in GW-408, 1805, 2007, 2112, and 2134. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Grain Dealer Division

There is one grain dealer license that has not been issued due to a background check.

GD-199 In the Matter of Meyer & Meyer Grain, Randolph, seeking cancellation of its Grain Dealer License: Application was granted effective November 19, 2004.

GD-199 In the Matter of Old Republic Surety Company seeking cancellation of its Continuous Grain Dealer Bond No. RLI 560786 in the amount of \$35,000.00, issued on behalf of Meyer & Meyer Grain, Randolph: Application was granted effective November 19, 2004.

TRANSPORTATION DEPARTMENT

- B-1505 In the Matter of Abbott Transportation, Inc., Omaha, seek-
Supp. 3 ing to extend its authority as a contract carrier for
Abbott Parking Inc., Omaha, in the transportation of
passengers and their baggage by sedan, vans and busses between the
facility of Abbott Parking in Omaha and Eppley Airfield: A video
hearing was set for December 9, 2004, at 9:30 a.m. in the Commission
Library, Lincoln, and the Nebraska State Office Building, Room 207,
Second Floor, 1313 Farnam Street, Omaha. Commissioner Anne Boyle
presiding as Hearing Officer.
- B-1557 In the Matter of Hope Transportation, Inc., Omaha: Mark
Supp. 3 Breiner reported that an appeal of the September 21, 2003,
order was filed in Lancaster County District Court.
- B-1581 In the Matter of Servant Cab Company LLC, Lincoln: Mark
Breiner discussed opinion of the Nebraska Court of Appeals.

Rate Division

- TR-138 In the Matter of Safeway Cabs, Omaha, seeking to adjust its
rates and charges for its use: The hearing scheduled for
December 16, 2004, was continued to a date later to be determined.
- MR-930 In the Matter of Movers and Warehouse Division and Nebraska
Motor Carriers Association, Lincoln, seeking authority to
establish a fuel surcharge in Nebraska Official Household Goods Tariff
7-F: The fuel surcharge was increased to 38 cents per mile and the
taxi surcharge decreased to 40 cents per trip.

GENERAL ADMINISTRATION

Commissioner Rod Johnson left the Commission Hearing Room.

Motion made by Commissioner Lowell Johnson, seconded by
Commissioner Frank Landis, to approve the following invoices. Motion
passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis,
and Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

Payments made between November 9-22, 2004 were ratified:

DAS - Materiel - Office Supplies	\$ 741.76
DAS - Materiel - Printing	835.49
Kelly Services	577.50
Kelly Services	595.00
Thomson West	785.74
Gene Hand	913.33

GENERAL ADMINISTRATION (Cont.)

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

Weitbrecht Communications	\$ 1,057.50
Alternative Hearing	778.00
Associated Hearing	511.95
Audiology Services and Hearing Aid	389.90
Bosler Hearing Aid Center	376.25
Grand Island Hearing Aid Center	1,366.59
Harris Communications	1,805.55
Hearing Aid Specialists Inc	914.00
Hearing Clinic Inc	1,390.75
Carl A. Johnson	1,311.85
KD Communications	2,945.55
Professional Hearing Aid Service	4,578.75
R & J Enterprises	2,257.15
Sherard Hearing Aid Center	803.80
Teltex	636.14
Weitbrecht Communications	1,481.90
Aksarben TDD Service	6,787.25
K-D Communications	2,945.55

Payments approved November 23, 2004:

DAS - Communications	\$ 2,575.77
DAS - Communications	2,941.89
Jeffrey Pursley	1,263.87
Anne Boyle	841.63
Frank Landis	657.28
Rod Johnson	660.84
Gerald Vap	1,772.59

Upon agreement of all Commissioners present, the time of the Commission meeting of December 14, 2004, was changed from 10:00 a.m. to 9:00 a.m.

Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to surplus Vehicle #9456, 1999 Ford Taurus Station Wagon; Item #1446 Dell Computer-I56KP01; Item #1456 Dell Computer-HRNOB01; Item #1458 Dell Computer-GRNOB01; Item #1460 Dell Computer-1SNOB01; Item #1462 Dell Computer-2SNOB01; and Item #1464 Dell Computer-5SNOB01. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle, to purchase two intermediate size vehicles. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

GENERAL ADMINISTRATION (Cont.)

Upon agreement of all Commissioners present, authorization was granted for Bob Bowman to travel to Clay Center, Kansas, on November 17, 2004, to perform a modular housing unit factory inspection of Wardcraft Homes with all expenses, including time, to be reimbursed to the Commission by Wardcraft Homes.

Motion made by Commissioner Anne Boyle, seconded by Commissioner Frank Landis, to adopt a policy on reimbursement of lunch expenses for statutory advisory boards. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

Commissioner Rod Johnson entered the Commission Hearing Room.

Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to ratify a contract with Harding, Shultz & Downs to serve as Public Advocate under the State Natural Gas Regulation Act. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to go into closed session to discuss personnel issues. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. The Commission went into closed session at 11:02 a.m.

Motion made by Commissioner Rod Johnson, seconded by Commissioner Anne Boyle, to return to open session. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. The Commission returned to open session at 11:22 a.m.

Upon agreement of all Commissioners, authorization was granted to extend the termination date of longevity increase to December 31, 2004.

Motion was made by Commissioner Frank Landis, and seconded by Commissioner Anne Boyle, to modify the salary of a General Administration staff person. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

The meeting adjourned at 11:25 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on December 1, 2004, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on November 30, 2004.

Chairman

Executive Director